

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 111<sup>th</sup> Congress<sup>1</sup>**

[Date approved: February 23, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 1988 (Ms. Amy Klobuchar of Minnesota).

**Proponent name,<sup>3</sup> location:** Target Corp., Minneapolis, MN.

**Other bills on product (111<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through December 31, 2011.

**Retroactive effect:** None.

**Suggested article description(s) for enactment (including appropriate HTS subheading(s)):**

Vases of bamboo strips bonded together with glue, the foregoing which have been shaped or molded, sanded and varnished (provided for in subheading 4602.11.09).

**Check one:**     ☐ Same as that in bill as introduced.  
                     ☒ Different from that in bill as introduced (see Technical comments section).

**Product information, including uses/applications and source(s) of imports:**

Bamboo vases are made from bamboo, technically part of the grass family. Bamboo is often used as a substitute for wood in handicrafts, flooring, and decorative products. Bamboo products are principally imported into the United States from China and Vietnam but also originate in other Asian countries where bamboo is grown. Bamboo vases are manufactured by coiling and/or shaping bamboo strips or slats that are dipped in glue over a mold and then dried, sanded and finished. Although not included in this proposed description, some vases are made from a solid piece of bamboo.

Bamboo vases are often sold through big box retail stores, specialty catalogues, and general merchandise retailers. CBP has twice issued tariff classification rulings on bamboo vases or similar products. In 2005, JC Penney requested a tariff classification ruling on bamboo jars from Vietnam, and in 2008 Costco Wholesale Corporation requested a tariff classification ruling on bamboo vases from China. In both cases, CBP determined that the products in question are classified within a subheading under 4602 that currently carries a 10 percent rate of duty.

There are no known U.S. manufacturers of bamboo vases. Vases made from other materials (typically hand-made of wood or ceramics) are produced within the United States. Bamboo vases tend to be sold at lower price points than vases made from other materials.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 4602.11.09:**

<sup>1</sup> Industry analyst preparing report: Alberto Goetzl (202-205-3323); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).

<sup>3</sup> There are likely numerous additional beneficiaries of this bill. USITC staff contacted two that indicated they would benefit from this bill.

The subject product is currently classified in a subheading that covers a broad range of bamboo baskets and other containers. Based on information provided by the proponent and official import statistics, it is estimated that the dutiable value of subject imports is approximately 9 percent of total dutiable imports under this HTS subheading.

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	10%	10%	10%	10%	10%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000
Customs revenue loss <sup>b</sup>	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000

a/ Dutiable import estimates were based on industry information and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

#### Contacts with domestic firms/organizations (including the proponent):<sup>4</sup>

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Target Corporation (Proponent) Marguerite Trossevin, 202-251-6170, <a href="mailto:mtrossevin@jstpc.com">mtrossevin@jstpc.com</a>	11/17/2009	No	No	No
Costco Wholesale Corp. (Beneficiary) Amy Morgan, 425-427-3863, <a href="mailto:amorgan@costco.com">amorgan@costco.com</a>	11/20/2009	No	No	No
Wal-Mart Sarah Thorn, 202-434-0714, <a href="mailto:sarah.thorn@wal-mart.com">sarah.thorn@wal-mart.com</a>	12/5/2009	No	No	No

#### Technical comments:<sup>5</sup>

It is suggested that the article description of the proposed heading be worded as shown on page 1. The phrase “varnished to *give the appearance of solid wood*” [emphasis added] in the proposed bill is intended, according to the proponent, to distinguish vases made from strips of bamboo from those made of solid bamboo in order to narrow the applicability of the provision. However, such language would require interpretation for each entry and might suggest that these goods should be classified as articles of wood. CBP officials must already decide if a particular vase made of bamboo strips should be classified

<sup>4</sup> Because there are no known America-made bamboo vases, no opposing parties could be identified. Efforts were made to contact the American Craft Council (representing American makers of handicrafts) and other potentially affected parties, but these attempts were unsuccessful.

<sup>5</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

as an article of plaiting material and thus classified in heading 4602; the Explanatory Notes suggest that to fall within that heading a good must have been “made directly to shape” from plaiting materials or be made up from already assembled products of heading 4601. (If the bamboo strips were found not to be “plaiting materials” of heading 4601, it is possible that a bamboo vase could be classified in heading 4421 as a miscellaneous article of wood, with a general duty rate of 3.3 percent (subheading 4421.90.97).) It is difficult for CBP to consider how goods would be classified without seeing them. The Commission consulted with the relevant import specialist at CBP who indicated that the proposed provision could require “subjective interpretation,” although it might be administrable as written.<sup>6</sup> Thus, we do not suggest adding a reference subheading for that chapter 44 provision to this bill’s description; it could present even more confusion.

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<sup>6</sup> E-mail communication with CBP staff, November 18, 2009.

111TH CONGRESS  
1ST SESSION

# S. 1988

To suspend temporarily the duty on certain bamboo vases.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2009

Ms. KLOBUCHAR introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To suspend temporarily the duty on certain bamboo vases.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN BAMBOO VASES.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of  
5 the Harmonized Tariff Schedule of the United States is  
6 amended by inserting in numerical sequence the following  
7 new heading:

“	9902.01.00	Vases made of strips of bamboo bonded together and varnished to give the appearance of solid wood (provided for in subheading 4602.11.09) .....	Free	No change	No change	On or before 12/31/2011	”.
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8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

